

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

Form 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **May 27, 2008**

Bimini Capital Management, Inc.
(Exact Name of Registrant as Specified in Charter)

Maryland
(State or Other Jurisdiction of Incorporation)

001-32171
(Commission File Number)

72-1571637
(IRS Employer Identification No.)

3305 Flamingo Drive, Vero Beach, Florida 32963
(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: **(772) 231-1400**

N/A
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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ITEM 1.01. ENTRY INTO A MATERIAL DEFINITIVE AGREEMENT.

On May 27, 2008, Bimini Capital Management, Inc. (the "Company") entered into a Membership Interest Purchase Agreement (the "Purchase Agreement") by and among the Company, Orchid Island TRS, LLC ("OITRS") and Citigroup Global Markets Realty Corp. ("Citigroup"). Pursuant to the Agreement, the Company has repurchased Citigroup's 7.5% non-voting Class B membership interest in OITRS for \$50,000.00. The Purchase Agreement is filed herewith as Exhibit 10.1 and is incorporated into this Item 1.01 by reference in its entirety.

On May 27, 2008, immediately following the closing of the acquisition by the Company of Citigroup's 7.5% non-voting Class B membership interest in OITRS, the Company entered into an Eighth Amended and Restated Limited Liability Company Agreement of Orchid Island TRS, LLC (the "LLC Agreement"). The LLC Agreement is filed herewith as Exhibit 10.2 and is incorporated into this Item 1.01 by reference in its entirety.

ITEM 2.01. COMPLETION OF ACQUISITION OR DISPOSITION OF ASSETS.

On May 27, 2008, the Company acquired Citigroup's 7.5% non-voting Class B membership interest in OITRS for \$50,000.00. The Purchase Agreement is filed herewith as Exhibit 10.1 and is incorporated into this Item 2.01 by reference in its entirety.

ITEM 3.03 MATERIAL MODIFICATION TO RIGHTS OF SECURITY HOLDERS.

At the Company's 2008 Annual Meeting of Stockholders held on May 27, 2008, more than 70% of the votes cast at the meeting either in person or by proxy, representing more than a majority of all of the votes entitled to be cast on the matter, were voted in favor of the proposal to amend the Company's Charter in the manner described in the Company's definitive proxy statement in respect of the Company's 2008 Annual Meeting of Stockholders, as filed with the U.S. Securities and Exchange Commission on April 11, 2008.

The Articles of Amendment, a copy of which is filed herewith as Exhibit 10.3 and is incorporated into this Item 3.03 by reference in its entirety, was filed with the State Department of Assessments and Taxation of the State of Maryland on May 28, 2008, and became effective immediately upon the filing thereof.

ITEM 7.01 REGULATION FD DISCLOSURE.

On May 29, 2008, the Company issued the press release attached hereto as Exhibit 99.1. The information furnished under this Item 7.01, including the exhibit related hereto, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, nor shall it be deemed incorporated by reference in any disclosure document of the Company, except as shall be expressly set forth by specific reference in such document.

ITEM 8.01 OTHER EVENTS.

At the Company's 2008 Annual Meeting of Stockholders held on May 27, 2008, the Company's stockholders elected Robert E. Cauley as a Class II Director to serve until the Company's 2011 Annual Meeting of Stockholders and until his successor is duly elected and qualifies. The Company's stockholders also elected Robert J. Dwyer as a Class III Director to serve until the Company's 2009 Annual Meeting of Stockholders and until his successor is duly elected and qualifies.

ITEM 9.01. EXHIBITS.

(d) Exhibits

Exhibit No.	Description
10.1	Membership Interest Purchase Agreement, dated May 27, 2008, by and among Bimini Capital Management, Inc., Orchid Island TRS, LLC and Citigroup Global Markets Realty Corp.
10.2	Eighth Amended and Restated Limited Liability Company Agreement of Orchid Island TRS, LLC dated as of May 27, 2008.
10.3	Articles of Amendment
99.1	Press release of Bimini Capital Management, Inc. dated May 29, 2008

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: May 29, 2008

BIMINI CAPITAL MANAGEMENT, INC.

By: /s/ Robert E. Cauley
Robert E. Cauley
Vice Chairman, President and Chief Executive Officer

MEMBERSHIP INTEREST PURCHASE AGREEMENT

Among

BIMINI CAPITAL MANAGEMENT, INC.,

ORCHID ISLAND TRS, LLC

and

CITIGROUP GLOBAL MARKETS REALTY CORP.

Dated as of May 27, 2008

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MEMBERSHIP INTEREST PURCHASE AGREEMENT

MEMBERSHIP INTEREST PURCHASE AGREEMENT, dated as of May 27, 2008, by and among CITIGROUP GLOBAL MARKETS REALTY CORP., a New York corporation (“Seller”), BIMINI CAPITAL MANAGEMENT, INC., a Maryland corporation (“Purchaser”), and ORCHID ISLAND TRS, LLC, a Delaware limited liability company (the “Company”).

BACKGROUND

WHEREAS, pursuant to a Membership Interest Purchase, Option and Investor Rights Agreement, dated as of December 21, 2006, by and among Seller, Purchaser and the Company (the “Initial Purchase Agreement”), Seller purchased a non-voting Class B membership interest in the Company constituting 7.5% of the issued and outstanding limited liability company interests of the Company (the “Purchased Membership Interests”) from Purchaser; and

WHEREAS, Seller now wishes to sell and dispose of, and Purchaser wishes to purchase, the Purchased Membership Interests on the terms and subject to the conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements herein contained and other valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

ARTICLE I

DEFINITIONS

Section 1.1. Definitions.

(a) As used in this Agreement, the following terms shall have the following meanings:

“Affiliate” means, with respect to any Person, any other Person that directly, or indirectly through one or more intermediaries, controls or is controlled by or is under common control with the Person specified. The term “control” (including the terms “controlling,” “controlled by” and “under common control with”) means possession, direct or indirect, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

“Agreement” means this Membership Interest Purchase Agreement together with the Exhibits attached hereto.

“Business Day” means any day other than a Saturday, Sunday or any day on which banks located in New York City, New York are authorized or required to be closed for the conduct of regular banking business.

“Closing” means the closing of the sale and purchase of the Purchased Membership Interests as contemplated by this Agreement.

“Company Membership Interests” means the issued and outstanding limited liability company interests in the Company regardless of class or series.

“Encumbrances” means any and all liens, encumbrances, charges, security interests, mortgages, pledges, options, title defects, or other adverse claims or restrictions on title of any nature whatsoever and, when used with respect to the Purchased Membership Interests, shall include without limitation, any rights of first refusal or first offer, proxies, voting trusts or agreements.

“GAAP” means United States generally accepted accounting principles as in effect on the date of this Agreement.

“Governmental Authority” means any international, supranational, national, provincial, regional, federal, state, municipal or local government, any instrumentality, subdivision, court, administrative or regulatory agency or commission or other authority thereof, or any quasi-governmental or private body exercising any regulatory, taxing, importing or other governmental or quasi-governmental authority.

“Losses” means any and all damages, fines, fees, penalties, deficiencies, liabilities, claims, losses (excluding loss of value), demands, judgments, settlements, actions, obligations and costs and expenses (including interest, court costs and the reasonable fees and costs of attorneys, accountants and other experts).

“Material Adverse Effect” or “Material Adverse Change” means any effect or change that would be materially adverse to the business of the Company, taken as a whole, or to the ability of any party to consummate timely the transactions contemplated hereby; provided that none of the following shall be deemed to constitute, and none of the following shall be taken into account in determining whether there has been, a Material Adverse Effect or Material Adverse Change: any adverse change, event, development, or effect arising from or relating to (1) national or international political or social conditions, including the engagement by the United States in hostilities, whether or not pursuant to the declaration of a national emergency or war, or the occurrence of any military or terrorist attack upon the U.S., or any of its territories, possessions, or diplomatic or consular offices or upon any military installation, equipment or personnel of the U.S., (2) changes in U.S. generally accepted accounting principles, (3) changes in laws, rules, regulations, orders, or other binding directives issued by any Governmental Authority, (4) the taking of any action contemplated by this Agreement and the other agreements contemplated hereby, or (5) the announcement or consummation of the transactions contemplated by this Agreement.

“Operating Agreement” means the Seventh Amended and Restated Limited Liability Company Agreement of the Company dated as of July 20, 2007, attached hereto as Exhibit A.

“Ordinary Course of Business” means the ordinary course of business consistent with past practice (including with respect to quantity and frequency).

“Person” means any natural person, corporation, general partnership, limited partnership, limited or unlimited liability company, proprietorship, joint venture, other business organization, trust, business trust, union, association, Governmental Authority or other entity.

“Securities Act” means the Securities Act of 1933, as amended from time to time, and the rules and regulations promulgated thereunder.

“Subsidiary” means, with respect to any Person, any other Person (i) of which the first Person owns directly or indirectly 50% or more of the outstanding voting stock or other equity interest in the other Person; (ii) of which the first Person or any other Subsidiary of the first Person is a general partner or (iii) of which securities or other ownership interests having ordinary voting power to elect a majority of the board of directors or other persons performing similar functions with respect to the other Person are at the time owned by the first Person and/or one or more of the first Person’s Subsidiaries.

“Tax” or “Taxes” means (a) any and all U.S. federal, state, local, or foreign income, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, premium, windfall profits, environmental, customs duties, capital stock, franchise, profits, withholding, social security (or similar, including the Federal Insurance Contributions Act), unemployment, disability, real property, personal property, sales, use, transfer, registration, value added, alternative or add-on minimum, estimated, or other tax of any kind or any charge of any kind in the nature of (or similar to) taxes whatsoever, including any interest, penalty, or addition thereto, whether disputed or not and (b) any liability for the payment of any amounts of the type described in clause (a) of this definition as a result of being a member of an affiliated, consolidated, combined or unitary group for any period, as a result of any tax sharing or tax allocation agreement, arrangement or understanding, or as a result of being liable for another person’s taxes as a transferee or successor, by contract or otherwise.

Section 1.2. Other Defined Terms; Interpretation.

(a) Other terms defined are in the other parts of this Agreement indicated below:

“Amended and Restated Guaranty”	6.2(c)
“Closing Date”	2.3
“Company”	Preamble
“Financial Projections”	4.5(b)
“Financial Statements”	4.5(a)
“Initial Purchase Agreement”	Recitals
“Parent Guaranty”	6.2(c)
“Purchase Price”	2.2
“Purchased Membership Interests”	Recitals
“Purchaser”	Preamble
“Repurchase Agreement”	6.2(c)
“Seller”	Preamble

(b) For the purposes of this Agreement, except to the extent that the context otherwise requires:

(i) when a reference is made in this Agreement to an Article, Section or Exhibit, such reference is to an Article or Section of, or an Exhibit to, this Agreement unless otherwise indicated;

(ii) the table of contents and headings for this Agreement are for reference purposes only and do not affect in any way the meaning or interpretation of this Agreement;

(iii) whenever the words “include,” “includes” or “including” (or similar terms) are used in this Agreement, they are deemed to be followed by the words “without limitation”;

(iv) the words “hereof,” “herein” and “hereunder” and words of similar import, when used in this Agreement, refer to this Agreement as a whole and not to any particular provision of this Agreement;

(v) all terms defined in this Agreement have their defined meanings when used in any certificate or other document made or delivered pursuant hereto, unless otherwise defined therein;

(vi) the definitions contained in this Agreement are applicable to the singular as well as the plural forms of such terms;

(vii) if any action is to be taken by any party hereto pursuant to this Agreement on a day that is not a Business Day, such action shall be taken on the next Business Day following such day;

(viii) references to a Person are also to its heirs, personal representatives, permitted successors and assigns;

(ix) the use of “or” is not intended to be exclusive unless expressly indicated otherwise;

(x) “contract” includes any note, bond, mortgage, indenture, deed of trust, loan, credit agreement, franchise concession, contract, agreement, permit, license, lease, purchase order, sales order, arrangement or other commitment, obligation or understanding, whether written or oral;

(xi) “assets” shall include “rights,” including rights under contracts; and

(xii) “reasonable efforts” or similar terms shall not require the waiver of any rights under this Agreement.

ARTICLE II

PURCHASE AND SALE OF MEMBERSHIP INTERESTS

Section 2.1. Purchase and Sale. At the Closing, upon the terms and subject to the conditions of this Agreement, Seller shall sell, transfer, assign, convey and deliver to Purchaser, and Purchaser shall purchase from Seller, the Purchased Membership Interests, free and clear of all Encumbrances (other than Encumbrances created by Purchaser or arising under this Agreement, the Initial Purchase Agreement, the Operating Agreement, the Securities Act or any applicable state law).

Section 2.2. Purchase Price. The purchase price (the “Purchase Price”) to be paid to Seller by Purchaser for the Purchased Membership Interests at the Closing shall be US \$50,000, to be paid in immediately available funds.

Section 2.3. Closing. The Closing shall be held at the offices of Thacher Proffitt & Wood LLP, Two World Financial Center, New York, New York 10281, at any time after the satisfaction or waiver of all of the conditions (other than those conditions that by their nature are to be satisfied by actions taken at Closing, but subject to the fulfillment or waiver of those conditions) set forth in ARTICLE VI, but no later than on May 27, 2008 (the “Closing Date”).

Section 2.4. Expiration of Option. Seller acknowledges that the right to purchase Company Membership Interests from Purchaser constituting 7.49% of all of the Company Membership Interests then outstanding, which right Purchaser granted to Seller pursuant to the Initial Purchase Agreement, has expired and is of no further effect.

Section 2.5. Cancellation of Rights. Each of Seller, Purchaser and the Company agrees that each of their respective rights pursuant to Sections 2.6, 2.7, 2.8 and 2.9 of the Initial Purchase Agreement shall be terminated and of no further effect as of the Closing Date.

ARTICLE III

REPRESENTATIONS AND WARRANTIES OF SELLER

Seller hereby makes the representations and warranties to Purchaser set forth in this Article III. For purposes of this Article III, the term “knowledge,” when used below with respect to Seller, shall mean the actual knowledge of Seller’s executive officers and directors, as the case may be.

Section 3.1. Organization and Qualification. Seller is a corporation duly incorporated, validly existing and in good standing under the laws of the State of New York and has all requisite corporate power and authority to own, license, use, lease and operate its assets and properties and to carry on its business as it is now being conducted.

Section 3.2. Authority; Binding Effect of Agreement. Seller has all requisite corporate power and authority to execute and deliver this Agreement and to perform its obligations and consummate the transactions contemplated by this Agreement. This Agreement has been duly executed and delivered by Seller and, assuming the due authorization, execution and delivery of this Agreement by Purchaser and the Company, constitutes a valid and legally binding obligation of Seller, enforceable against Seller in accordance with its terms (subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights generally and to general principles of equity, regardless of whether enforcement is sought in a proceeding in equity or at law).

Section 3.3. No Conflicts. The execution and delivery by Seller of this Agreement and the performance of the transactions contemplated by this Agreement do not and will not (i) conflict with or result in a violation of any provision of the organizational documents of Seller, (ii) to the knowledge of Seller, result in a violation or breach of or constitute a default (or an event which, with or without notice or lapse of time or both, would constitute a default) under, or result in the termination, modification or cancellation of, or the loss of a benefit under or accelerate the performance required by, or result in a right of termination, modification, cancellation or acceleration under the terms, conditions or provisions of any contract or other instrument of any kind to which Seller is now a party or by which any of its assets or properties may be bound or affected, or (iii) violate any order, writ, injunction, decree, statute, treaty, rule or regulation applicable to Seller, except with respect to clauses (ii) and (iii) for such violations, breaches and defaults as would not individually or in the aggregate reasonably be expected to result in a Material Adverse Effect or for which Seller has obtained a valid waiver; provided, however, that any such violation, breach or default shall be deemed to be a Material Adverse Effect in the event that such violation, breach or default entitles any person to take an action to invalidate the transactions contemplated by this Agreement.

Section 3.4. Consents and Approvals. No declaration, filing or registration with, or notice to, or authorization, consent, order or approval of, any Governmental Authority is required to be obtained or made in connection with or as a result of the execution and delivery of this Agreement by Seller or the performance by Seller of the transactions contemplated by this Agreement, except for such consents, approvals, orders, authorizations, registrations, declarations and filings as are required to be made under the U.S. federal securities laws and, for those, the failure of which to obtain would not individually or in the aggregate reasonably be expected to result in a Material Adverse Effect; provided, however, that any such failure to obtain any required authorization, consent, order, or approval of any Governmental Authority with respect to the transactions contemplated hereby which failure would entitle such Governmental Authority to take any action seeking to invalidate such transactions shall be deemed to be a Material Adverse Effect.

Section 3.5. Ownership of Purchased Membership Interests. Seller is the lawful record and beneficial owner of the Purchased Membership Interests and owns such Purchased Membership Interests free and clear of all Encumbrances whatsoever, except for any Encumbrances created by this

Agreement, the Initial Purchase Agreement, the Operating Agreement, Purchaser, the Company and restrictions on transfer under federal and state securities laws. Upon the assignment of the Purchased Membership Interests by Seller to Purchaser in the manner contemplated under ARTICLE II, and the payment by Purchaser of the Purchase Price to Seller, Purchaser will acquire the beneficial and legal title to the Purchased Membership Interests, free and clear of all Encumbrances, except for any Encumbrances created by this Agreement, the Initial Purchase Agreement, the Operating Agreement, Purchaser, the Company or restrictions on transfer under federal and state securities laws.

Section 3.6. Non-Foreign Status. Seller is not a foreign person as such term is used in U.S. Treasury Regulation Section 1.1445-2.

Section 3.7. No Other Representations. Except as expressly provided above, or elsewhere in this Agreement, Seller does not make to Purchaser, and Seller hereby expressly disclaims, any representation or warranty of any kind or nature, written or oral, statutory, express or implied, including, without limitation, with respect to the Purchased Membership Interests.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF PURCHASER AND THE COMPANY

Purchaser and the Company hereby jointly and severally represent and warrant to Seller that:

Section 4.1. Organization and Qualification. Purchaser is a corporation duly organized, validly existing and in good standing under the laws of the State of Maryland and the Company is a limited liability company duly organized, validly existing and in good standing under the laws of the State of Delaware. Each of Purchaser and the Company have all requisite corporate power and authority to own, license, use or lease and operate their respective assets and properties and to carry on their respective businesses as they are now conducted, except where the failure to have such power and authority would not individually or in the aggregate reasonably be expected to result in a Material Adverse Effect.

Section 4.2. Authority; Binding Effect of Agreement. Each of Purchaser and the Company have all requisite corporate power and authority to execute and deliver this Agreement and to perform their respective obligations and consummate the transactions contemplated by this Agreement. The execution and delivery of this Agreement and the performance of the transactions contemplated hereby have been duly authorized and no other corporate proceedings on the part of Purchaser or the Company are necessary to authorize the execution and delivery of this Agreement and the performance by Purchaser and the Company of the transactions contemplated hereby. This Agreement has been duly executed and delivered by Purchaser and the Company and, assuming the due authorization, execution and delivery of this Agreement by the Seller, constitutes valid and binding obligations of Purchaser and the Company enforceable against Purchaser and the Company in accordance with its terms (subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights generally and to general principles of equity, regardless of whether enforcement is sought in a proceeding in equity or at law).

Section 4.3. No Conflicts. Except for those provisions of the Operating Agreement which may be triggered by the transfer of the Purchased Membership Interests to Purchaser (which transfer does not, however, cause an actual violation, breach or default under the Operating Agreement), the execution and delivery by Purchaser and the Company of this Agreement and the performance of the transactions contemplated hereby do not and will not (i) conflict with or result in a breach of any provisions of the certificate of incorporation and bylaws of Purchaser or Operating Agreement of the Company, (ii) result in a violation or breach of or constitute a default (or an event which, with or without notice or lapse of time or both, would constitute a default) under, or result in the termination of, or the loss of a benefit under or accelerate the performance required by, or result in a right of termination, modification, cancellation or acceleration under the terms, conditions or provisions of any contract or other instrument of any kind to which Purchaser or the Company is now a party or by which Purchaser or the Company or any of its properties or assets may be bound or affected, or (iii) violate any order, writ, injunction, decree, statute, treaty, rule or regulation applicable to Purchaser or the Company, except with respect to clauses (ii) and (iii) for such violations, breaches and defaults as would not individually or in the aggregate reasonably be expected to result in a Material Adverse Effect or for which the Purchaser or Company, as the case may be, has obtained a valid waiver; provided, however, that any such violation, breach or default shall be deemed to be a Material Adverse Effect in the event that such violation, breach or default entitles any person to take an action to invalidate the transactions contemplated by this Agreement.

Section 4.4. Consents and Approvals. No declaration, filing or registration with, or notice to, or authorization, consent, order or approval of, any Governmental Authority is required to be obtained or made in connection with or as a result of the execution and delivery of this Agreement by Purchaser or the Company or the performance by Purchaser or the Company of the transactions contemplated by this Agreement, except for such consents, approvals, orders, authorizations, registrations, declarations and filings as are required to be made under the U.S. federal securities laws and, for those, the failure of which to obtain would not individually or in the aggregate reasonably be expected to result in a Material Adverse Effect; provided, however, that any such failure to obtain any required authorization, consent, order, or approval of any Governmental Authority with respect to the transactions contemplated hereby which failure would entitle such Governmental Authority to take any action seeking to invalidate such transactions shall be deemed to be a Material Adverse Effect.

Section 4.5. Financial Statements

(a) The Company has made available to Seller its unaudited consolidated balance sheet and statements of operations, stockholders' equity, and cash flows as of and for the fiscal year ended December 31, 2007 and its unaudited consolidated balance sheet and statements of operations, stockholders' equity, and cash flows as of and for the three months ended March 31, 2008 (collectively, the "Financial Statements"). Except for normal year-end adjustments, the lack of intercompany eliminations, footnotes and other presentation items, the Financial Statements have been prepared in accordance with GAAP on a consistent basis, and present fairly, in all material respects, the consolidated financial condition of the Company as of such date and the consolidated results of operations of the Company for such period.

(b) On or about May 20, 2008, the Company made available to Seller its projected unaudited consolidated balance sheet as of December 31, 2008, and its projected unaudited statement of operations for the fiscal year ended December 31, 2008 (the "Financial Projections"). The Financial Projections were prepared by the Company based on information available to the Company as of May 20, 2008, and on the Company's management's good faith belief with respect to future events. The Financial Projections are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in such Financial Projections. The Company does not make any representation or warranty as to the likelihood that such Financial Projections will be achieved and hereby expressly disclaims any such representation or warranty.

Section 4.6. Ownership of Company Membership Interests. Upon consummation of the sale of the Purchased Membership Interests to the Purchaser and the transactions contemplated pursuant to this Agreement, Purchaser will own 100% of the Company Membership Interests.

Section 4.7. Operating Agreement. Attached hereto as Exhibit A is the Operating Agreement, which agreement is in full force and effect and is the only agreement in effect with respect to the matters described therein.

Section 4.8. Restricted Securities. Purchaser understands that the Purchased Membership Interests have not been registered under the Securities Act or the securities or blue sky laws of any State of the United States or any other jurisdiction. Purchaser also understands that the Purchased Membership Interests are being offered and sold pursuant to an exemption from registration contained in the Securities Act and any such State or other jurisdictions' securities or blue sky laws based in part upon Purchaser's and the Company's representations contained in this Agreement.

Section 4.9. Subscriber Bears Economic Risk. Purchaser has such knowledge and experience in financial and business matters so that it is capable of evaluating the merits and risks of its investment in the Company and has the capacity to protect its own interests. Purchaser is able to bear the economic risk of this investment indefinitely.

Section 4.10. Acquisition For Own Account. Purchaser is acquiring the Purchased Membership Interests for its own account for investment only, and not with a view towards a distribution thereof in violation of the Securities Act; provided, that this representation and warranty shall not limit Purchaser's right to sell the Purchased Membership Interests in compliance with applicable securities laws and the Operating Agreement.

Section 4.11. Accredited Investor. Purchaser is an accredited investor within the meaning of Regulation D under the Securities Act.

Section 4.12. Information.

(a) Purchaser (i) has been provided with such information regarding the Company and the Purchased Membership Interests that it believes necessary for purposes of making an informed decision to enter into this Agreement and acquire the Purchased Membership Interests, (ii) has received and carefully reviewed this Agreement, (iii) has been afforded the opportunity to ask questions of and receive answers from duly authorized officers or other representatives of Seller concerning the terms and conditions of the acquisition, and (iv) has received any additional information which Purchaser or its advisors or agents has requested.

(b) Purchaser is familiar with and understands the terms of its acquisition of the Purchased Membership Interests pursuant to this Agreement, including the rights to which Purchaser is entitled under this Agreement and the Operating Agreement. In evaluating the suitability of an investment in the Company, Purchaser has not relied upon any representation or other information (whether oral or written) from Seller, or any agent, employee or Affiliate of Seller other than as set forth in this Agreement or resulting from Purchaser's own independent investigation. Purchaser understands and acknowledges that nothing in this Agreement or any other materials provided to Purchaser in connection with the purchase of the Purchased Membership Interests constitutes investment, tax or legal advice. To the extent deemed necessary or advisable by Purchaser in its sole discretion, Purchaser has retained, at its sole expense, and relied upon appropriate professional advice regarding the investment, tax and legal merits and consequences of this Agreement and its purchase of the Purchased Membership Interests hereunder.

Section 4.13. No Public Market. Purchaser understands that no public market now exists for any of the Company Membership Interests, and that Seller has made no assurances that a public market will ever exist for the Company Membership Interests.

Section 4.14. Legends. Purchaser understands that certificates representing the Purchased Membership Interests will bear legends required under applicable federal and state securities laws.

Section 4.15. No Other Representations. Except as expressly provided above, or elsewhere in this Agreement, neither Purchaser nor the Company makes to Seller, and Purchaser and the Company hereby disclaim, any representation or warranty of any kind or nature, written or oral, statutory, express or implied, including, without limitation, with respect to Purchaser, the Company or any of their respective Subsidiaries or any of their respective assets.

ARTICLE V

COVENANTS AND OTHER AGREEMENTS

Section 5.1. Transfer Taxes. All transfer, registration, stamp, documentary, sales, use and similar Taxes, any penalties, interest and additions to Tax, and fees incurred in connection with the purchase of the Purchased Membership Interests, shall be the responsibility of and be timely paid by Purchaser.

Section 5.2. Public Announcements. Any press release with respect to the execution of this Agreement or the transactions contemplated hereby shall be a joint press release mutually agreed to by Seller and Purchaser. Neither Seller nor Purchaser nor any of their respective Affiliates shall issue or cause the dissemination of any press release or other public announcements or statements with respect to this Agreement or the transactions contemplated hereby without the consent of the other party, which consent will not be unreasonably withheld, except as may be required by law or by any listing agreement with a national securities exchange or trading market, in which case the disclosing party shall provide the other party with a reasonable opportunity to review and comment on any such release prior to its dissemination.

Section 5.3. Further Assurances; Post-Closing Cooperation. From time to time after the Closing, without additional consideration, each of the parties hereto will (or, if appropriate, cause their Affiliates to) execute and deliver such further instruments and take such other action as may reasonably be requested by the other parties to make effective the transactions contemplated by this Agreement, including any instruments reasonably requested by Purchaser or the Company to transfer the collateral securing the Repurchase Agreement (as hereinafter defined), including without limitation all of the certificates representing residual interests and each of the promissory notes pledged thereunder. Further, if any party to this Agreement shall following the

Closing have in its possession any asset or right that under this Agreement should have been delivered to the other, including payments made to such party following the Closing, such party shall promptly deliver such asset or right to the other.

Section 5.4. Financial Statements for 2008. The Company shall make available to Seller, by no later than March 31, 2009, its unaudited consolidated balance sheet and statements of operations, stockholders' equity, and cash flows as of and for the fiscal year ended December 31, 2008. Except for normal year-end adjustments, the lack of intercompany eliminations, footnotes and other presentation items, such financial statements will be prepared in accordance with GAAP on a consistent basis, and will present fairly, in all material respects, the consolidated financial condition of the Company as of such date and the consolidated results of operations of the Company for such period.

Section 5.5. Transfer Approved. Purchaser and Seller, being the sole members of the Company, hereby acknowledge and agree that Section 16 of the Operating Agreement has been satisfied.

Section 5.6. Withdrawal as a Member of the Company. Seller agrees that it shall be deemed to have withdrawn as a member of the Company effective as of the time of Closing and shall have no rights or obligations as a member under or pursuant to the Operating Agreement commencing as of the time of Closing, other than the right to indemnification and limitation of liability rights of a member set forth in the Operating Agreement.

ARTICLE VI

CONDITIONS TO OBLIGATIONS OF PARTIES

Section 6.1. Conditions Precedent to Each Party's Obligations at the Closing. The respective obligations of each party to effect the Closing are subject to the fulfillment on or prior to the Closing Date of the following conditions, which conditions may be waived, in whole or in part, at the option of each party to the extent permitted by law:

(a) Consents and Approvals. All necessary consents and approvals of any Governmental Authority or any other Person required for the consummation of the transactions contemplated by this Agreement shall have been obtained; and

(b) No Orders. No statute, rule, regulation, order, decree or injunction shall have been enacted, entered, promulgated or enforced by a Governmental Authority that prohibits the consummation of the transactions contemplated by this Agreement shall be in effect.

Section 6.2. Conditions Precedent to the Obligations of Seller at Closing. Seller's obligation to complete the sale of the Purchased Membership Interests at the Closing is subject to the fulfillment on or prior to the Closing Date of the following conditions, which conditions may be waived, in whole or in part, at the option of Seller to the extent permitted by law:

(a) Representations and Warranties Correct. The representations and warranties made by Purchaser and the Company in Article IV hereof shall be true and correct in all material respects when made, and shall be true and correct in all material respects on and as of the Closing Date, except those representations and warranties of Purchaser and the Company that speak as of a certain date or time, provided such representations and warranties shall have been true and correct in all material respects as of such date;

(b) Covenants. All covenants, agreements and conditions contained in this Agreement to be performed by Purchaser and the Company on or prior to the Closing Date shall have been performed or complied with in all material respects;

(c) Repayment of Loan. All amounts due Seller under the Master Repurchase Agreement and Supplemental Terms and Conditions thereto (together the "Repurchase Agreement"), each dated as of November 3, 2005 by and between HS Special Purpose, LLC and Citigroup Global Markets Realty Corp., as amended, shall have been repaid and there shall be no outstanding obligations of any nature owed by any party to Seller pursuant to the terms of the Repurchase Agreement, the Parent Guaranty, dated as of December 21, 2006, by Purchaser in favor of Seller (the "Parent Guaranty"), or the Amended and Restated Guaranty, dated as of December 21, 2006, by the Company in favor of Seller (the "Amended and Restated Guaranty"), and HS Special Purpose, LLC, the Purchaser and the Company shall have executed a termination agreement with respect to the Repurchase Agreement, the Parent Guaranty and the Amended and Restated Guaranty in the form attached hereto as Exhibit B;

(d) Payment of Legal Fees. Purchaser shall have paid all legal fees and expenses due to Thacher Proffitt & Wood llp in connection with the drafting and negotiation of this Agreement and the consummation of the transactions contemplated herein; and

(e) Closing Deliveries by Purchaser. Purchaser shall have paid the Purchase Price by wire transfer of immediately available funds to the account set forth on Schedule 1 to this Agreement.

Section 6.3. Conditions to the Obligations of Purchaser at Closing. Purchaser's obligation to complete the acquisition of the Purchased Membership Interests at the Closing is subject to the fulfillment on or prior to the Closing Date of the following conditions, which conditions may be waived, in whole or in part, at the option of Purchaser to the extent permitted by law:

(a) Representations and Warranties Correct. The representations and warranties made by Seller in Article III hereof shall be true and correct in all material respects when made, and shall be true and correct in all material respects on and as of the Closing Date, except those representations and warranties of Seller that speak as of a certain date or time, provided such representations and warranties shall have been true and correct in all material respects as of such date;

(b) Covenants. All covenants, agreements and conditions contained in this Agreement to be performed by Seller on or prior to the Closing Date shall have been performed or complied with in all material respects.

(c) Purchased Membership Interests. On the Closing Date, Seller shall have delivered to Purchaser a certificate representing the Purchased Membership Interests acquired from Seller pursuant to this Agreement together with such instruments of transfer and assignment as Purchaser may

reasonably request or, in the event such certificate shall have been lost, stolen or destroyed, the Seller shall make an affidavit of that fact, which affidavit shall include an indemnification agreement against any claim that may be made against Purchaser with respect to ownership of such certificate.

(d) Delivery of Collateral. Assuming the condition set forth in Section 6.2(c) above has been satisfied, the Seller shall deliver or cause to be delivered to Purchaser or its designee all of the collateral securing the Repurchase Agreement, including without limitation all of the certificates representing residual interests and each of the promissory notes pledged thereunder. In the event any of the certificates, promissory notes or other documents with respect to such collateral shall have been lost, stolen or destroyed, the Seller shall make an affidavit of that fact, which affidavit shall include an indemnification agreement against any claim that may be made against Purchaser with respect to ownership of such certificate or certificates, promissory note or promissory notes or other documents that have been lost, stolen or destroyed.

(e) Termination Agreement. Seller shall have executed a termination agreement with respect to the Repurchase Agreement, the Parent Guaranty and the Amended and Restated Guaranty in the form attached hereto as Exhibit B.

(f) Payment Direction Letter. Seller shall have executed a payment direction letter with respect to the Repurchase Agreement in the form attached as Exhibit C.

ARTICLE VII

DISPUTE RESOLUTION

Section 7.1. Survival of Representations and Warranties.

(a) The representations and warranties of Seller, Purchaser and the Company contained in this Agreement will survive the Closing for a period of eighteen months commencing on the Closing Date. Except as otherwise expressly provided in this Agreement, each covenant hereunder to be performed after the Closing shall survive until fully performed.

(b) No party's rights hereunder (including rights under this ARTICLE VII) shall be affected by any investigation conducted by or any knowledge acquired (or capable of being acquired) by such party at any time, whether before or after the execution or delivery of this Agreement.

Section 7.2. Damages.

(a) No party shall be liable for any consequential damages, including loss of revenue, income or profits, loss in value of assets or securities, punitive, special, treble, remote, special or indirect damages, or loss of business reputation or opportunity relating to the breach of this Agreement, including for any claim based upon any multiplier of such party's earnings before interest, Tax, depreciation or amortization, or any similar valuation metric.

(b) The parties shall treat any payments with respect to Losses arising from a breach or violation of the representations and warranties contained in this Agreement as an adjustment to the Purchase Price for all U.S. federal, state, local and foreign Tax purposes, except as otherwise required by applicable law.

ARTICLE VIII

MISCELLANEOUS

Section 8.1. Notices. All notices, requests and other communications under this Agreement must be in writing and will be deemed to have been duly given upon receipt by the parties at the following addresses or facsimiles (or at such other address or facsimile for a party as shall be specified by notice):

If to Seller:

Citigroup Global Markets Realty Corp.
390 Greenwich Street
New York, New York 10013
Attention: Perry Defelice
Facsimile: (212) 723-8604

With a copy to:
Attention: General Counsel
Facsimile.: (212) 801-4007

With a copy (which shall not constitute notice) to:

Thacher Proffitt & Wood llp
Two World Financial Center
New York, New York 10281
Attention: Robert C. Azarow
Facsimile: (212) 912-7751

If to Purchaser or the Company:

Bimini Capital Management Inc.
3305 Flamingo Drive
Vero Beach, Florida 32963
Attention: General Counsel
Facsimile: (772) 234-3355

With a copy (which shall not constitute notice) to:

Clifford Chance US LLP
31 West 52nd Street
New York, New York 10019
Attention: Karl Roessner
Facsimile: (212) 878-8375

Section 8.2. Entire Agreement. This Agreement and the exhibits hereto supersede all prior and contemporaneous discussions and agreements, both written and oral, among the parties with respect to the subject matter of this Agreement and constitute the sole and entire agreement among the parties to this Agreement with respect to the subject matter of this Agreement.

Section 8.3. Expenses. Except as otherwise expressly provided in this Agreement, whether or not the transactions contemplated by this Agreement are consummated, each party will pay its own costs and expenses incurred in connection with the negotiation, execution and closing of this Agreement and the transactions contemplated by this Agreement.

Section 8.4. Waiver. Any term or condition of this Agreement may be waived at any time by the party that is entitled to the benefit thereof, but no such waiver shall be effective unless set forth in a written instrument duly executed by or on behalf of the party waiving such term or condition. No waiver by any party of any term or condition of this Agreement, in any one or more instances, shall be deemed to be or construed as a waiver of the same or any other term or condition of this Agreement on any future occasion. All remedies, either under this Agreement or by law or otherwise afforded, will be cumulative and not alternative.

Section 8.5. Amendment. This Agreement may be amended, supplemented or modified only by a written instrument duly executed by or on behalf of each party to this Agreement.

Section 8.6. No Third-Party Beneficiary. The terms and provisions of this Agreement are intended solely for the benefit of each party hereto and their respective heirs, personal representatives, successors or permitted assigns, and it is not the intention of the parties to confer third-party beneficiary rights upon any other Person.

Section 8.7. Assignment; Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties named herein and their respective successors and permitted assigns. No party may assign either this Agreement or any of its rights, interests, or obligations hereunder without the prior written approval of the other parties hereto; provided, however, that Purchaser may (i) assign any or all of its rights and interests hereunder to one or more of its Affiliates and (ii) designate one or more of its Affiliates to perform its obligations hereunder (in any or all of which cases Purchaser nonetheless shall remain responsible for the performance of all of its obligations hereunder).

Section 8.8. CONSENT TO JURISDICTION AND SERVICE OF PROCESS. EACH PARTY HEREBY IRREVOCABLY SUBMITS TO THE EXCLUSIVE JURISDICTION OF THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF NEW YORK OR ANY COURT OF THE STATE OF NEW YORK LOCATED IN THE COUNTY OF NEW YORK IN RESPECT OF ANY ACTION, SUIT OR PROCEEDING ARISING IN CONNECTION WITH THIS AGREEMENT AND THE TRANSACTIONS CONTEMPLATED HEREBY, AND AGREES THAT ANY SUCH ACTION, SUIT OR PROCEEDING SHALL BE BROUGHT ONLY IN SUCH COURT (AND WAIVES ANY OBJECTION BASED ON *FORUM NON CONVENIENS* OR ANY OTHER OBJECTION TO VENUE THEREIN); PROVIDED, HOWEVER, THAT SUCH CONSENT TO JURISDICTION IS SOLELY FOR THE PURPOSE REFERRED TO IN THIS SECTION 8.8 AND SHALL NOT BE DEEMED TO BE A GENERAL SUBMISSION TO THE JURISDICTION OF SAID COURTS OR IN THE STATE OF NEW YORK OTHER THAN FOR SUCH PURPOSE. Any and all process may be served in any action, suit or proceeding arising in connection with this Agreement by complying with the provisions of Section 8.1. Such service of process shall have the same effect as if the party being served were a resident in the State of New York and had been lawfully served with such process in such jurisdiction. The parties hereby waive all claims of error by reason of such service. Nothing herein shall affect the right of any party to service of process in any other manner permitted by law or to commence legal proceedings or otherwise proceed against the other in any other jurisdiction to enforce judgments or rulings of the aforementioned courts.

Section 8.9. Invalid Provisions. If any provision of this Agreement is held to be illegal, invalid or unenforceable under any present or future law, and if the rights or obligations of any party hereto under this Agreement will not be materially and adversely affected thereby, (a) such provision will be fully severable, (b) this Agreement will be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part hereof, (c) the remaining provisions of this Agreement will remain in full force and effect and will not be affected by the illegal, invalid or unenforceable provision or by its severance herefrom and (d) in lieu of such illegal, invalid or unenforceable provision, there will be added automatically as a part of this Agreement a legal, valid and enforceable provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible.

Section 8.10. GOVERNING LAW. **THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICT OF LAWS PRINCIPLES OF SAID STATE OTHER THAN SECTION 5-1401 OF THE NEW YORK GENERAL OBLIGATIONS LAW.**

Section 8.11. Counterparts. This Agreement may be executed in any number of counterparts, including by facsimile signature thereof, all of which will constitute one and the same instrument.

Section 8.12. Interpretation. The parties have participated jointly in negotiating and drafting this Agreement. If an ambiguity or a question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties, and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Agreement.

Signatures begin on the next page

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

BIMINI CAPITAL MANAGEMENT INC.

By:
Name:
Title:

ORCHID ISLAND TRS, LLC

By:
Name:
Title:

CITIGROUP GLOBAL MARKETS REALTY CORP.

By:
Name:
Title:

EIGHTH AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT OF ORCHID ISLAND TRS, LLC

This EIGHTH AMENDED AND RESTATED LIMITED LIABILITY COMPANY AGREEMENT (the "Agreement") of Orchid Island TRS, LLC (f/k/a Opteum Financial Services, LLC) (the "Company"), dated as of May 27, 2008 (this "Agreement"), is made and entered into by BIMINI CAPITAL MANAGEMENT, INC., a Maryland corporation (the "Member").

RECITALS

WHEREAS, the Company was formed on February 26, 1999 as a limited liability company pursuant to the Delaware Limited Liability Company Act, 6 Del. C. § 18-101, *et seq.*, as amended from time to time (the "Act"), by filing a Certificate of Formation of the Company with the office of the Secretary of State of the State of Delaware; and

WHEREAS, on May 27, 2008, the Member purchased all outstanding non-voting Class B Membership Interests of the Company pursuant to and in accordance with the terms of the certain Membership Interest Purchase Agreement, dated as of May 27, 2008 (the "Purchase Agreement"), by and among the Company, the Member and Citigroup Global Markets Realty Corp. which resulted in the Member becoming the sole member of the Company; and

WHEREAS, prior to the purchase contemplated by the Purchase Agreement the Member held interests in the Company designated as Class A Membership Interests; and

WHEREAS, following the completion of the acquisition of the Class B Member Interests pursuant to the Purchase Agreement the Member, as the sole member of the Company, desires to convert and reclassify all Class A Membership Interests and Class B Membership Interests into one series of membership interests with voting rights; and

WHEREAS, the Member now desires to amend and restate the Company's Seventh Amended and Restated Limited Liability Company Agreement, dated as of July 20, 2007 to give effect to the foregoing.

NOW, THEREFORE, the Member hereby declares as follows:

Section 1. Name. The name of the Company is "Orchid Island TRS, LLC." The Board of Managers is authorized to change the name of the Company and may otherwise conduct the business and affairs of the Company under any other name, if it deems it necessary or advisable to do so, *provided* that it complies with all applicable laws in doing so and so long as such name includes the words "Limited Liability Company" or the abbreviation "LLC". The Company shall notify the Member in writing of any such change or use of other name. In the event that the name of the Company is changed pursuant to this Section, references herein to the name of the Company shall be deemed to have been amended to the name as so changed.

Section 2. Purpose. The Company may engage in any lawful business, purpose or activity permitted under the Act and approved by the Board of Managers, and exercise all the powers and privileges granted by the Act or by any other law or this Agreement, together with any powers incidental thereto, including such powers and privileges as are necessary or convenient to the conduct, promotion or attainment of the business purposes or activities of the Company; *provided, however*, that the Company shall not directly or indirectly operate or manage a "lodging facility" or a "health care facility" or directly or indirectly provide to any other person (under a franchise, license, or otherwise) any rights to any brand name under which any lodging facility or health care facility is operated, in each case, as set forth in Section 856(l)(3) and (4) of the Internal Revenue Code of 1986, as amended (the "Code").

Section 3. Term; Continued Existence. The Company shall continue in perpetuity unless sooner dissolved in accordance with Section 15. The Member shall take all actions necessary to ensure the Company's existence as a limited liability company in good standing under the laws of the State of Delaware and under the laws of any other state in which the Company conducts the business and activities authorized in this Agreement.

Section 4. Principal Office; Books and Records. The principal office of the Company shall be located at 3305 Flamingo Drive, Vero Beach, Florida 32963 or such other place or places as the Board of Managers may determine. The Board of Managers shall be responsible for maintaining at the Company's principal office those books and records required by the Act to be so maintained.

Section 5. Registered Office and Agent. The address of the registered office of the Company in the State of Delaware is c/o Corporation Service Company, 2711 Centerville Road, Suite 400, Wilmington, Delaware 19808. The name of the registered agent of the Company is Corporation Service Company. The address of the registered agent in the State of Delaware is 2711 Centerville Road, Suite 400, Wilmington, Delaware 19808. The registered agent and the registered office of the Company may be changed from time to time by the Board of Managers.

Section 6. Membership Interests; Members.

(a) Upon the effectiveness of this Agreement all membership interests formerly representing Class A Membership Interests and Class B Membership Interests are hereby converted, without any further action on the part of the Member being necessary, into a single class of membership interests in the Company designated "Membership Interests." As of the effective date of this Agreement, certificates formerly representing Class A Membership Interests and Class B Membership Interests shall automatically represent the like number, amount and percentage of Membership Interests in the Company, with voting rights and being entitled to all of the rights and privileges of a member pursuant to this Agreement and the Act.

(b) The name, mailing address and Membership Interest in the Company of the sole Member are set forth on Exhibit A hereto. No other person or entity shall be admitted as a member of the Company, and no additional Membership Interests in the Company shall be issued, without the approval of the Member and appropriate amendments to this Agreement, including Exhibit A.

Section 7. Liability of the Member. Except as otherwise expressly provided in the Act, the debts, obligations and liabilities of the Company, whether arising in contract, tort or otherwise, shall be solely the debts, obligations and liabilities of the Company, and the Member shall not be obligated personally for any such debt, obligation or liability of the Company solely by reason of being a member.

Section 8. Management of the Company.

(a) The Company shall have a Board of Managers (the “Board of Managers”), which shall be the “manager” of the Company (within the meaning of the Act) and the size and composition of which shall be as set forth in this Section 8.

(b) Subject to the delegation of powers provided for herein and the limitations set forth herein, the right and power to manage and control the business and affairs of the Company shall be vested exclusively in the Board of Managers, and the Board of Managers shall have the exclusive right and power, in the name of and on behalf of the Company, to perform all acts and do all things which, in its sole discretion, it deems necessary or desirable to conduct the business of the Company. Except as otherwise required by law, the Member shall not have any right or power, by reason of the Member’s status as such, to act for or bind the Company, but shall have only the right to vote on, approve or take the actions herein specified to be voted on, approved or taken by it.

(c) The Board of Managers shall consist of one or more individuals (each, a “Manager”), with the exact number of Managers to be determined from time to time by the Member in its sole discretion. Initially, the Board of Managers shall consist of one Manager who shall be G. Hunter Haas, IV. Each Manager shall be appointed by the Member in its sole discretion and may be removed by the Member at any time in its sole discretion. Each Manager shall hold office until such Manager’s death or resignation or removal by the Member. Any Manager may resign at any time by giving written notice to the Member. Such resignation shall take effect at the time specified therein or, if the time be not specified, upon receipt thereof; and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Vacancies on the Board of Managers resulting from death, resignation, removal or otherwise and newly created managerships resulting from any increase in the number of Managers shall be filled solely by action taken by the Member.

(d) A majority of the total number of Managers then in office, whether present in person or represented by proxy, shall constitute a quorum for the transaction of business at a meeting of the Board of Managers, and the affirmative vote of a majority in voting power of the Managers present at any such meeting, whether present in person or represented by proxy, at which a quorum is present shall be necessary for the passage of any resolution or act of the Board of Managers. At each meeting of the Board of Managers at which a quorum is present, each other Manager present at such meeting, whether present in person or represented by proxy, shall be entitled to one vote on each matter to be voted on at such meeting. Any action required or permitted to be taken at any meeting of the Board of Managers may be taken by the unanimous written consent of the Managers then in office.

Section 9. Committees of the Board of Managers. The Board of Managers may designate, by resolution, one or more committees. Any such committee, to the extent provided in the resolution of the Board of Managers, shall have and may exercise all the powers and authority of the Board of Managers in the management of the business and affairs of the Company, and may authorize the seal of the Company to be affixed to all papers which may require it. Each committee shall consist of one or more of the Managers. Each member of a committee shall be appointed by the Board of Managers in its sole discretion (but subject to the foregoing sentence) and may be removed by the Board of Managers at any time in their sole discretion. Each member of a committee shall hold office until the member’s death or resignation or removal by the Board of Managers. Any member of a committee may resign at any time from such committee by giving written notice to the Board of Managers. Such resignation shall take effect at the time specified therein or, if the time be not specified, upon receipt thereof; and unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective. Vacancies on a committee resulting from death, resignation, removal or otherwise and newly created positions on a committee resulting from any increase in the number of members of a committee shall be filled solely by the Board of Managers. The Board of Managers may designate one or more Managers as alternate members of any committee, who may replace any absent member at any meeting of the committee. All of the members of a committee then in office (or, in the absence of the member, the alternate member who has replaced the member), whether present in person or represented by proxy, shall constitute a quorum for the transaction of business at a meeting of such committee, and the affirmative vote of the member (or the alternate members who have replaced them) shall be necessary for the passage of any resolution or act of such committee. Any action required or permitted to be taken at any meeting of a committee may be taken by the written consent of all of the members of such committee then in office. Each committee shall report its actions to the Board of Managers when so required by the Board of Managers.

Section 10. Officers. The Board of Managers or the officer to which it delegates such responsibility may, from time to time, designate or appoint one or more officers of the Company, including, without limitation, president, one or more vice presidents, a secretary, an assistant secretary and/or a treasurer. Such officers must be employees of the Company or an affiliate of the Company. Each appointed officer shall hold office until: (i) his/her successor is appointed by the Board of Managers or its applicable delegate; (ii) such officer submits his/her resignation; or (iii) such officer is removed, with or without cause, by the Board of Managers or its delegate. All officers shall have such authority and perform such duties as the Board of Managers or its delegates may determine, subject to the terms and provisions of this Agreement.

Section 11. Duties and Liabilities of the Member and Officers.

(a) None of the Member, any Manager or any officer shall be liable to the Company for any loss or damages resulting from errors in judgment or for any acts or omissions that do not constitute willful misconduct or gross negligence on the part of the Member, Manager or officer. In all transactions for or with the Company, the Member, the Managers and the officers shall act in good faith and in the best interest of the Company.

(b) The Company, its receiver or its trustee (but not the Member personally, if the Member shall act as the receiver or trustee) shall indemnify and defend the Member, the Managers and the officers against, and hold them harmless from, any and all losses, judgments, costs, damages, liabilities, fines, claims and expenses (including, but not limited to, reasonable attorney’s fees and court costs, which shall be paid by the Company as incurred) that may be made or imposed upon such persons and any amounts paid in settlement of any claims sustained by the Company by reason of any act or inaction which is determined to have been taken in good faith in the best interests of the Company and so long as such conduct shall not constitute willful misconduct or gross negligence.

(c) In the event of settlement of any action, suit or proceeding brought or threatened, such indemnification shall apply to all matters covered by the settlement except for matters as to which it is determined that the person seeking indemnification did not act in good faith in the best interests of the Company or such matter resulted from willful misconduct or gross negligence. The foregoing right of indemnification shall be in addition to any rights to which the

Member, the Managers and officers may otherwise be entitled and shall inure to the benefit of the executors, administrators, personal representatives, successors or assigns of each such person.

(d) The Company shall pay the expenses incurred by the Member, the Managers or any officer in defending a civil or criminal action, suit or proceeding, upon receipt of an undertaking by such person to repay such payment if such person shall be determined not to be entitled to indemnification therefor as provided herein. Any right of indemnity granted under this Section 11 may be satisfied only out of the assets of the Company and none of the Member, any Manager or any officer shall be personally liable with respect to any such claim for indemnification.

(e) The Company shall have the power to purchase and maintain insurance in reasonable amounts on behalf of the Company and the Member, Managers, officers, employees and agents of the Company against any liability incurred by them in their capacities as such.

(f) The provisions of this Section 11 shall not be construed to limit the power of the Company to indemnify its Member, Managers, officers, employees or agents to the fullest extent permitted by law or to purchase insurance or enter into specific agreements, commitments or arrangements for indemnification. The absence of any express provision for indemnification in this Agreement shall not limit any right of indemnification existing independently of this Section 11.

Section 12. Capital Contributions. The Member shall have no obligation to contribute any capital, or to make any loans, to the Company. With the prior approval of the Board of Managers, the Member may, however, from time to time make voluntary capital contributions to the Company.

Section 13. Distributions; Allocation of Profits and Losses. Distributions shall be made by the Company to the Member at the times and in the amounts as may from time to time be determined by the Board of Managers.

Section 14. Tax Matters. At all times, the Company shall be treated as a corporation for U.S. federal income tax purposes and shall take all necessary and appropriate actions to confirm and ensure such treatment including, but not limited to, filing all required U.S. federal income tax returns and elections necessary or appropriate to secure and preserve such treatment. In addition, at all times, the Company shall be treated as a "taxable REIT subsidiary" (within the meaning of Section 856(l) of the Code) and shall take all necessary and appropriate actions to confirm and ensure such treatment including, but not limited to, filing all required U.S. federal income tax returns and elections necessary or appropriate to secure and preserve such treatment. The Company shall not take any action, directly or indirectly, that would adversely affect the Company's ability to qualify as a taxable REIT subsidiary.

Section 15. Dissolution. Subject to the terms of this Agreement, the Company shall be dissolved, and shall terminate and wind up its affairs upon the first to occur of (i) the written consent of the Member or (ii) the entry of a decree of judicial dissolution under Section 18-802 of the Act.

Section 16. Liquidation. Upon dissolution, the Company's business shall be liquidated in an orderly manner. The Member shall act as the liquidator (unless it elects to appoint a liquidator) to wind up the affairs of the Company pursuant to this Agreement. If there shall be no members, the successor-in-interest to the Member may serve as such liquidator or may approve one or more liquidators to act as the liquidator in carrying out such liquidation. In performing its duties, the liquidator is authorized to sell, distribute, exchange or otherwise dispose of the assets of the Company in accordance with the Act and in any reasonable manner that the liquidator shall determine to be in the best interest of the Member or its successors-in-interest. The proceeds of any liquidation shall be applied and distributed in the following order of priority:

(a) for the payment of the debts and liabilities of the Company (including any debts and liabilities owed to the Member to the extent permitted under the Act (and the expenses of liquidation));

(b) to the setting up of any reserves that the Member reasonably may deem necessary for any contingent or unforeseen liabilities or obligations of the Company arising in connection with the business of the Company. These reserves may be paid over by the Member to any attorney-at-law, as escrowee, to be held by such attorney for the purpose of disbursing such reserves in payment of any of the aforementioned contingencies and, at the expiration of such period as the Member shall deem advisable, to distribute the balance of such reserves to the Member; and

(c) thereafter, to the Member.

Section 17. Right to Partition. To the extent permitted by law, and except as otherwise expressly provided in this Agreement, the Member, on behalf of itself and its successors and assigns hereby specifically renounces, waives and forfeits all rights, whether arising under contract or statute or by operation of law, to seek, bring or maintain any action in any court of law or equity for partition of the Company or any asset of the Company, or any interest which is considered to be Company property, regardless of the manner in which title to any such property may be held.

Section 18. Severability. It is the desire and intent of the Member that the provisions of this Agreement be enforced to the fullest extent permissible under the laws and public policies applied in each jurisdiction in which enforcement is sought. Accordingly, if any particular provision of this Agreement shall be adjudicated by a court of competent jurisdiction to be invalid, prohibited or unenforceable for any reason, such provision, as to such jurisdiction, shall be ineffective, without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction. Notwithstanding the foregoing, if such provision could be more narrowly drawn so as not to be invalid, prohibited or unenforceable in such jurisdiction, it shall, as to such jurisdiction, be so narrowly drawn, without invalidating the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.

Section 19. Modification, Waiver or Termination. No modification, waiver or termination of this Agreement, or any part of this Agreement, shall be effective unless made in writing.

Section 20. Benefits of Agreement. No person or entity other than the Member and the Company is, nor is it intended that any such other person or entity be treated as, a direct, indirect, intended or incidental third-party beneficiary of this Agreement for any purpose whatsoever, nor shall any such other person or entity have any legal or equitable right, remedy or claim under or in respect of this Agreement. Without limiting the generality of the foregoing, nothing in this Agreement, expressed or implied, is intended or shall be construed to give to any creditor of the Company or to any creditor of any Member or any other person or entity whatsoever, other than the Member and the Company, any legal or equitable right, remedy or claim under or in respect of this

Agreement or any covenant, condition or provisions contained in this Agreement, and such provisions are and shall be held to be for the sole and exclusive benefit of the Member and the Company.

Section 21. Interpretation. As used in this Agreement, the masculine, feminine or neuter gender, and the singular or plural number, shall be deemed to be or include the other genders or number, as the case may be, whenever the context so indicates or requires. Sections and other titles contained in this Agreement are for convenience of reference only and shall not define or limit any of the provisions of this Agreement.

Section 22. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the Member and its successors and permitted assigns.

Section 23. Governing Law. **THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF DELAWARE, WITHOUT GIVING EFFECT TO CONFLICTS OF LAW PRINCIPLES OF SUCH STATE.**

Section 24. Application of the Act. Any matter not specifically covered by a provision of this Agreement shall be governed by the applicable provisions of the Act.

Section 25. Effective Date. This Agreement shall become effective immediately following the completion of the acquisition of the Class B Membership Interests by the Member pursuant to the terms of the Purchase Agreement.

[Signature appears on the following page.]

IN WITNESS WHEREOF, the undersigned has duly executed this Agreement as of the day first above written.

BIMINI CAPITAL MANAGEMENT, INC.

By:

Name: Robert E. Cauley

Title: President and Chief Executive Officer

EXHIBIT A

Member	Mailing Address	Membership Interest
Bimini Capital Management, Inc.	3305 Flamingo Drive, Vero Beach, Florida 32963	100%

**ARTICLES OF AMENDMENT
OF BIMINI CAPITAL MANAGEMENT, INC.**

Bimini Capital Management, Inc., a Maryland corporation (which is hereinafter referred to as the "Corporation"), hereby certifies to the State Department of Assessments and Taxation of Maryland that:

First: The Articles of Incorporation of the Corporation are hereby amended as follows:

Article XIII, Section 9, clause (i) is amended in its entirety to read as follows:

(i) Subject to the limitations provided below, the Board of Directors may from time to time increase or decrease the Ownership Limit and increase or decrease an Excepted Holder Ownership Limit; provided, however, that any decrease shall only apply prospectively for stockholders owning more than the decreased Ownership Limit as of the date of the change (other than a decrease as a result of a retroactive change in existing law that would require a decrease to retain REIT status, in which case such decrease shall be effective immediately). Stockholders owning more than the decreased Ownership Limit as of the date of the change, but consistent with the prior Ownership Limit, shall be permitted to retain, but not increase, such percentage, and such Ownership Limit with respect to such stockholders shall decrease in proportion to any decrease in their ownership until such time as the stockholder's ownership reaches the decreased Ownership Limit.

Second: This amendment to the Articles of Incorporation of the Corporation was advised by the Board of Directors of the Corporation and approved by the stockholders of the Corporation as required by Section 2-607 of the Maryland General Corporation Law.

Third: The undersigned President of the Corporation acknowledges this amendment to the Articles of Incorporation of the Corporation to be the corporate act of the Corporation and, as to all matters of fact required to be verified under oath, the undersigned President acknowledges that, to the best of his knowledge, information and belief, these matters and facts are true in all material respects and that this statement is made under the penalties for perjury.

[Signature page follows.]

IN WITNESS WHEREOF: The Corporation has caused this amendment to the Articles of Incorporation to be executed in its name and on its behalf by its President and attested by its Secretary this 27th day of May, 2008.

By: /s/ Robert E. Cauley
Name: Robert E. Cauley
Title: President

ATTEST:

By: /s/ J. Christopher Clifton
Name: J. Christopher Clifton
Title: Secretary

[Bimini Capital Management, Inc. Logo]

BIMINI CAPITAL MANAGEMENT ANNOUNCES RESULTS OF STOCKHOLDER VOTES AT 2008 ANNUAL MEETING AND PROVIDES OPERATIONAL UPDATE

VERO BEACH, FL (May 29, 2008) — Bimini Capital Management, Inc. (BMNM.PK) (“Bimini Capital” or the “Company”), a real estate investment trust (“REIT”), today announced that, at the Company’s 2008 Annual Meeting of Stockholders, Robert E. Cauley and Robert J. Dwyer were each re-elected as directors of the Company. Mr. Cauley was re-elected as a Class II director to serve until the Company’s 2011 Annual Meeting of Stockholders. Mr. Dwyer was re-elected as a Class III director to serve until the Company’s 2009 Annual Meeting of Stockholders.

The Company today also announced that the proposal to amend the Company’s Charter, as described in the Company’s definitive proxy statement as filed with the Securities and Exchange Commission on April 11, 2008, was approved by a majority of the Company’s stockholders. Accordingly, the Company has filed Articles of Amendment with the State Department of Assessments and Taxation of the State of Maryland to amend the Company’s Charter. Finally, the Company today announced that the financing facility secured by the Company’s residual interests in securitizations has matured, and all liabilities under such facility have been extinguished.

About Bimini Capital Management

Bimini Capital Management, Inc. is a REIT that invests primarily in, but is not limited to, residential mortgage-related securities issued by the Federal National Mortgage Association (Fannie Mae), the Federal Home Loan Mortgage Corporation (Freddie Mac) and the Government National Mortgage Association (Ginnie Mae). Its objective is to earn returns on the spread between the yield on its assets and its costs, including the interest expense on the funds it borrows.

Statements herein relating to matters that are not historical facts are forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. The reader is cautioned that such forward-looking statements are based on information available at the time and on management's good faith belief with respect to future events, and are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in such forward-looking statements. Important factors that could cause such differences are described in Bimini Capital Management, Inc.'s filings with the Securities and Exchange Commission, including Bimini Capital Management, Inc.'s most recent Annual Report on Form 10-K or Quarterly Report on Form 10-Q. Bimini Capital Management, Inc. assumes no obligation to update forward-looking statements to reflect subsequent results, changes in assumptions or changes in other factors affecting forward-looking statements.

Contact: Robert E. Cauley
President & Chief Executive Officer
(772) 231-1400
www.biminicapital.com